https://www.financial-planning.com/list/top-wealth-management-news-stories-about-dei-in-2024

Is 'DEI' over or just evolving? Here's how FP covered it in 2024
By Tobias Salinger
December 27, 2024 2:28 PM

The words diversity, equity and inclusion, or DEI for short, have turned into a political lightning rod that is absorbing repeated shocks in an ongoing storm.

Many of the same conservatives who view DEI and another previously noncontroversial acronym — ESG, or investing with environmental, social and governance goals — with similar skepticism toward so-called woke liberal political motivations are cheering President Donald Trump's impending return to the White House next year. Academic institutions and large corporations have already responded by pulling back in some form on both those fronts.

Financial advisors are certainly participating in those efforts by calling into question the notion that DEI brings any greater shareholder returns or long-run outcomes. On the other hand, wealth management faces a succession challenge that won't abate under a new administration, and continued investor interest in tying portfolios to principles of any persuasion. And planners aren't going to stop trying to forge more pathways into the field for aspiring professionals and investors or building networks among peers just because certain acronyms evoke some ire.

There are "a lot of systemic issues" playing into disparities such as the fact that only about 24% of certified financial planners are women, said planner Hannah Moore, the founder of training firm Amplified Planning and Richardson, Texas-based Guiding Wealth. As one of Financial Planning's "20 People Who Will Shape Wealth Management in 2025," Moore sees training programs for registered investment advisory firms as a tool "empowering firms to help solve a lot of these problems" by giving them a method to hire more people who "don't necessarily have the same network that a quoteunquote traditional financial advisor does," she said.

"We need more firms who can give real career paths to folks where their metrics are not just, 'How many dollars of AUM did you bring in?' but their metrics are, 'How are you serving the clients?'" Moore said.

The dilemma for 2025 in the industry, though, will revolve around the degree that efforts to promote inclusion in an industry with a legacy of excluding women and minorities will run into right-wing criticism stirred up by President-elect Trump and his increasingly influential allies on social media. For example, the conservative Alliance Defending Freedom drew some advisors to its campaign calling on large companies to drop all of their DEI efforts.

"Americans have sent a powerful message at the ballot box," Jeremy Tedesco,

ADF's senior counsel and senior vice president of corporate engagement, said in a statement last month. "They're tired of divisive ideologies like DEI that pit people against each other because of their skin color or deeply held beliefs. Corporate leaders need to learn this same lesson."

For many wealth management professionals, however, the need to expand access to the tools of investing and rewarding careers has never amounted to voting for one candidate or another. Somewhere in that murky picture, the struggles to boost financial literacy and representation among historically excluded groups will inevitably go on. And FP will be there to cover it.

To see more than 50 pieces from the past year that explored topics related to diversity, equity and inclusion, scroll down the slideshow. For last year's list, click here. And, to view a roundup of expert predictions on investing and wealth management for 2025, follow this link.

-

Political pushback
President-elect Trump's victory will give opponents of DEI programs an ally in the White House starting late next month.

READ MORE:

Wall Street's DEI retreat has officially begun

Investors press Goldman, again, to disclose more pay-gap data

ESG investing is about profit, not purpose

BlackRock, Vanguard accused of antitrust violations by Texas

The future of sustainable investing in Trump's second term

Trump threatens ESG that thrived during his first term

Addressing post-election fears for LGBTQ clients

-

Department of features and profiles
Role medals for greater representation, stark industry statistics, the debate over ESG investing and innovative solutions drove FP's features over the past year.

READ MORE:

Merrill trailblazer Curtis Brown shares lessons on life and leadership

Legendary role models whose achievements laid the foundation

The racial wealth gap is getting wider. Can technology fix it?

An effort to alter the course of the history of Black wealth in St. Louis

Building Black wealth in St. Louis — and nationwide

IBD Elite 2024: The 12 firms with the largest percentage of women advisors

From petroleum to portfolios: How an FP Rising Star embraced authenticity in his career

Can ESG come back from the dead?

Shrinking headcounts a growing problem

-

Disparities and discrepancies
The raw data on the lack of representation and historical barriers to services and careers explains why discussions of equality will not fade away in the new year or in future ones.

READ MORE:

The future of wealth management is female, so why isn't the present?

How taxes reflect and exacerbate racial wealth disparities

One year after Secure 2.0, retirement race gap remains stubborn

Fighting stubborn racial disparities in homeowner tax subsidies

How the U.S. tax system stole $600B from Black Americans

Does the SALT tax deduction cap unfairly penalize women?

-

Lawsuits and misconduct allegations
Wealth management firms often face allegations of discrimination and other misconduct that can result in terminations and lawsuits.

READ MORE:

Lawsuit's allegations call Carson Group's succession into question

Inside the industry's latest racial discrimination settlement at Merrill

Merrill adopts new arbitration policy — immediately sued for discrimination

Ex-Morgan Stanley advisor claims $1M in disability benefits in suit

LPL terminates CEO over failing to maintain respectful workplace

With Arnold out as CEO, can LPL keep up its growth trajectory?

Alleged ESG exaggerations cost Invesco $17.5M

-

Business opportunities and priorities
Recruiting a more diverse workforce that is more reflective of, and better equipped to serve, the nation's changing demographics will remain an industry priority in 2025.

READ MORE:

Women athletes can help wealth management jump succession hurdles

Single woman seeks wealth management: How to advise independent female clients

Great wealth transfer holds unprecedented promise for Black Americans

Are advisors ready for the tidal wave of women-controlled wealth?

The industry's opportunity to work with new Black and Hispanic investors

3 reasons Black Americans need to see Black financial advisors across the table

Building a better talent pipeline with Luis Rosa and the BLX Internship Program

Creating industry on-ramps as 100K advisors head toward the exit

4 ways to help AAPI families achieve homeownership

LGBTQ estates — when planning is a civil right

How financial advisors can help LGBTQ clients prepare for retirement

An ABLE primer: How advisors can use 529A plans for clients with disabilities

The impact of the 'racial will gap' on wealth

Estate planning for the Land Back Movement is here — it's complicated

How gender demographics are tilting wealth management toward women

Ex-NFL star, UBS exec envisions a future with more women advisors

ChatBlackGPT CEO: Advisors can use AI to diversify their client base

-

Launches, openings and expansion
Corporate sponsors, investors and entrepreneurs are driving growth through innovations and openings across the industry.

READ MORE:

New RIA platform bets on unique business model: No private equity money

Zenith adds planner on way to creating $1 billion in wealth

First Quad-A conference for women advisors builds foundation for the future

Fintech relaunches platform to better connect Black and Latino financial services professionals

Prudential kicks off advisor program to better serve Hispanic clients

SER Summit draws sellout attendance, big-name sponsors

The top 10 best-performing ESG funds of the decade

Toussaint Bailey eyes 'impact 2.0' in launch of Uplifting's second fund

-

Paying it forward in the profession
Planners are finding many ways to give back to current and aspiring advisors through pro bono services, professional organizations and philanthropic efforts.

READ MORE:

Quad-A eyes 'different direction' with leadership change

Quad-A Chair Alex David discusses industry collaboration and careers

Quad-A CEO Sheena Gray shares plans for her newly permanent role

Fintech firm supports Olympic rowers — on and off the water

Two groups for women financial advisors unite forces

CHIP founder making 'Swift Strides' in NYC Marathon fundraising effort

Financial advisors find fulfillment in pro bono planning work

Pro bono planning can bring big wins for clients and advisor careers

-